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Selected Speeches and News Releases

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News Releases

U.S. Department of Agriculture • Office of Information

USDA, W. R. GRACE & CO. TO COOPERATE ON BIOCONTROL OF FLORAL PLANT DISEASES

WASHINGTON, Jan. 27—W. R. Grace & Co. will seek to commercialize a first-of-its-kind biological control for floral plant diseases under a cooperative research agreement with the U.S. Department of Agriculture.

The biocontrol is based on a naturally occurring fungus that attacks other fungi in the soil causing diseases in floral crops, said R. Dean Plowman, administrator of USDA's Agricultural Research Service.

In tests at the research agency's Florist and Nursery Crops Laboratory, the biocontrol fungus, or agent, suppressed disease on major floral crops including zinnias, snapdragons, chrysanthemums and poinsettias. The agent was first isolated by a scientist of the agency's Biocontrol of Plant Diseases Laboratory. Both laboratories are located at the Beltsville, Md., Agricultural Research Center, 15 miles from Grace's Washington Research Center in Columbia, Md.

Grace intends to evaluate the agent and then market the first commercial product for use against a fungal pathogen of greenhouse crops, such as flowers, according to Francois P. van Remoortere, president of the company's research division.

"We are very enthusiastic about future possibilities created by this type of agreement," said van Remoortere. "It proves that we can work closely with government labs to produce products of benefit to the public."

USDA and Grace signed the research agreement under the Technology Transfer Act of 1986. The act made possible increased cooperation between private companies and individual federal research laboratories, encouraging the movement of federally developed technology into the marketplace.

ARS scientists at Beltsville overcame obstacles to biocontrol of soilborne diseases five years ago by identifying "antagonists"—fungi that attack other fungi and prevent them from infecting crop plants through their roots.

“We are excited that Grace wants to take one of our antagonists and possibly market it,” said Robert D. Lumsden, plant pathologist at the Bio-control of Plant Diseases Laboratory.

James C. Locke, plant pathologist at the Florist and Nursery Crops Laboratory and Lumsden will direct cooperative tests at Beltsville and other locations with James F. Walter, Grace’s senior research engineer at Columbia. Grace and the U.S. Department of Commerce are negotiating an exclusive field- use license on key USDA patents regarding the biological control agent.

Stephen Berberich (301) 344-2720

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USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Jan.26—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Jan. 27, through 12:00 midnight Thursday, Feb. 2.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Jan. 26, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price

Northern Europe Price	63.67
Adjustments:	
Average U.S. spot market location	10.35
SLM 1-1/16 inch cotton	2.00
Average U.S. location	0.42
Sum of Adjustments	<u>-12.77</u>
ADJUSTED WORLD PRICE	50.90 cents/lb.

Coarse Count Adjustment

Northern Europe Price	63.67
Northern Europe Coarse Count Price	<u>-59.18</u>
	4.49
Adjustment to SLM 1-inch cotton	<u>-4.15</u>
COARSE COUNT ADJUSTMENT	0.34 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Feb. 2.

Charles Cunningham (202) 447-7954

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MAJOR FINANCIAL SURVEY OF U.S. FARMS STARTS FEB. 13

WASHINGTON, Jan. 30—The U.S. Department of Agriculture will conduct a major survey of production costs and financial conditions on the nation's farms. The survey will last from Feb. 13 to March 31.

Charles Caudill, administrator of USDA's National Agricultural Statistics Service, said local interviewers trained by USDA will contact 26,000 farmers and ranchers in every state except Alaska and Hawaii for the fifth annual Farm Costs and Returns Survey. The survey is managed by NASS and its state statistical offices.

Interviewers will collect information on 1988 costs of production, capital expenditures, debts and assets, earnings, production practices, and other farm business and operator characteristics, Caudill said. The findings will be reported to Congress, farmers, and the public.

Data from the survey are used in updating cost-of-production estimates that serve as benchmarks in setting farm price supports. The data are also

used in measuring farm income and assessing changes in the financial health and well-being of farms from year to year.

“The cost-of-production data help policymakers understand the actual costs of farming,” said Caudill. “Other information helps researchers track how inputs are being used, how the financial situation in the farm sector is changing, and where problems are located. The survey also helps farmers understand what’s happening within their region and subsector of agriculture.”

Caudill said the coming survey will be especially important in answering questions about the effects of the 1988 drought and in providing hard data on how farms of different sizes, types, and regions are faring as deliberations begin over a new farm bill.

“This survey goes directly to the source, farmers themselves, to develop an accurate picture of the diverse financial conditions in agriculture,” he said. “It helps ensure that the decisions affecting farmers are based on reliable data rather than someone’s best guess.”

Once survey data are compiled by NASS and analyzed by USDA’s Economic Research Service, the results will be published in several major reports scheduled for release beginning this summer.

Farmers and ranchers participating in the survey were selected by statistical sampling procedures to represent a broad cross-section of U.S. agriculture. To guarantee confidentiality of financial data collected from farmers, NASS will destroy all records of individual responses after summary data are fed into computers.

Eric Van Chantfort (202) 786-1494

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USDA REPORTS WIND EROSION DAMAGE ON THE INCREASE

WASHINGTON, Jan. 31—Wind erosion damage to U.S. cropland and rangeland is up considerably this winter in the Great Plains—with four months still to go in the wind erosion season.

Nearly 2.2 million acres in 541 counties in the Great Plains were damaged in November and December—80 percent more than the same period last year, at an erosion rate 2.5 times the 1970-84 average, according to the U.S. Department of Agriculture’s Soil Conservation Service.

“A lot of the damage is a result of drought,” said Wilson Scaling, chief of the Soil Conservation Service. “The reasons vary by area, but major factors are lack of residue and poor vegetative cover—both caused by a lack of moisture.”

Of the total land reported damaged, more than 80 percent was cropland and the rest was primarily rangeland.

The state with the greatest damage was Texas, with 664,128 acres—more than 30 percent of the total.

Where there is enough moisture, farmers are using emergency tillage—roughening the surface—to control wind erosion damage. Nearly 420,000 acres have been treated to date—up from 263,000 acres at this time last year. Texas accounted for nearly half of the emergency tillage acreage.

In addition, land in condition to blow totals nearly 19 million acres—6 million more than this time last year and the fourth highest on record.

Following is a state-by-state summary of wind damage between Nov. 1, 1988, and Dec. 31, 1988, compared to damage during the same period the previous year:

Wind Erosion Damage, November-December 1988 and 1987

Acres Damaged			
	Counties Reporting	(Nov.-Dec 1988)	(Nov.-Dec 1987)
Colorado	37	28,795	17,070
Kansas	105	135,550	31,520
Montana	40	510,875	304,023
Nebraska	21	54,405	74,590
New Mexico	19	51,100	3,300
North Dakota	53	188,200	230,000
Oklahoma	30	68,480	31,288
South Dakota	66	112,250	69,400
Texas	147	664,128	250,220
Wyoming	23	346,754	190,885
Totals	541	2,160,537	1,202,296

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SEAPORTS CONNECTION CONFERENCE SET FOR HOUSTON APRIL 5-7

WASHINGTON, Jan. 31-The U.S. Department of Agriculture's Office of International Cooperation and Development is inviting air, sea, and land transportation leaders from the United States, the Caribbean Basin and Latin America to take part in its Seaports Connection conference, April 5-7, at the Hyatt Regency Hotel, Houston, Texas. The Port of Houston Authority is host for the conference.

Agricultural trade in non-traditional products has increased an average of 14-17 percent each year since the implementation of the Caribbean Basin Initiative in 1983. The Seaports Connection conference is intended to improve handling and transportation of agricultural and related products and reduce losses of both products and investments. Conference participants also will have an opportunity to evaluate comparative transportation costs.

Program activities will focus on the U.S. government's role in shipping, inspection, drug control, training opportunities for port officials, and increasing two-way trade as a means of reducing the cost of transportation. Other topics include packaging, loading, temperature control and controlled environments for perishable products, and bulk cargo reduced to smaller packaged units instead of containerization.

The distribution of food, a look at potential new shipping routes, transportation by land along the Pan American Highway, and intermodal issues related to Caribbean, Central and South American products destined for the United States and other markets also will be considered. Exhibits reflecting the advantages of the various modes of transportation and comparable costs will be available.

Cooperating with OICD on the conference are the U.S. Department of Transportation, USDA's Office of Transportation, the Agency for International Development, Puerto Rico's Economic Development Administration, Caribbean and Central American Action, and the Association of Private Businesses of Central America.

Information about the workshop, registration, and exhibit fees may be obtained from Theodore Freeman, Director, USDA/OICD Private Sector Relations Office, McGregor Building, Room 342, Washington, D.C., 20250-4300; Telephone (202) 653-7873.

Vic Muniec (202) 653-7883

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Jan. 31—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 9.97 cents per pound;
- medium grain whole kernels, 9.29 cents per pound;
- short grain whole kernels, 9.23 cents per pound;
- broken kernels, 4.98 cents per pound.

Minimum loan repayment rates for 1987 crop loans are the higher of the world price or 50 percent of the loan rate. For 1988 crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.16 per hundredweight;
- medium grain, \$5.82 per hundredweight;
- short grain, \$5.55 per hundredweight.

The prices announced are effective today at 3:00 P.M. EST. The next scheduled price announcement will be made Feb. 7 at 3:00 P.M. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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USDA ANNOUNCES 1989 CROP BURLEY TOBACCO PROGRAM

WASHINGTON, Jan. 31—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the national marketing quota for the 1989 crop of burley tobacco as 587.6 million pounds, up from the 1988 quota of 473 million pounds.

Goldberg also announced the following provisions:

- The price support level for the 1989 crop is \$1.532 per pound, up 3.2 cents from the 1988 level.
- For each farm, the 1989 basic quota level will increase about 24 percent over 1988.
- The effective quota is expected to be about 664 million pounds, or 105 million pounds above the 1988 quota.

—The budget deficit assessment will be 0.34 cents per pound, divided equally between the producer and the buyer. The no-net-cost program assessment will be announced later.

Burley tobacco producers will be polled Feb. 27 to March 2, to decide whether marketing quotas on a poundage basis will continue for the next three years. Quotas will remain in effect if less than one-third of the producers vote against quotas. Ninety-seven percent of the participating burley growers voted in favor of quotas for the 1986, 1987 and 1988 crops.

John Ryan (202) 447-6788

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USDA ANNOUNCES FINAL DEFICIENCY PAYMENTS FOR 1988 CROP UPLAND COTTON

WASHINGTON, Jan. 31—The U.S. Department of Agriculture announced today that eligible upland cotton farmers will receive in February final deficiency payments of \$725 million for the 1988 crop upland cotton.

Payments will be based on a rate of 19.40 cents per pound. Producers who participated in the 1988 price support and production adjustment program may have received advance payments of 6.4 cents per pound, leaving a balance of 13 cents per pound, to be paid in cash. Producers who did not request an advance deficiency payment will receive their entire payment at this time, said Milton Hertz, executive vice president of USDA's Commodity Credit Corporation.

The 1988 deficiency payment rate is the difference between the national established target price of 75.9 cents per pound and the higher of the national average market price received by producers of upland cotton during the 1988 calendar year, or the loan rate for Strict Low Middling 1-1/16-inch cotton, micronaire 3.5-4.9, at average U.S. locations.

Because the 1988 calendar year national average market price of 56.50 cents per pound, is above the loan rate of 51.80 cents per pound, the deficiency payment rate is the difference between the target price and the 1988 calendar year national average market price.

John Ryan (202) 447-6788

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1988-CROP RICE PRODUCERS TO RECEIVE \$570 MILLION IN DEFICIENCY PAYMENTS

WASHINGTON, Jan. 31—The U.S. Department of Agriculture announced today that eligible rice producers will receive \$570 million in deficiency payments for the 1988 crop.

About \$90 million of the \$570 million has been paid to producers who requested advance deficiency payments. The estimated \$480 million balance will be paid in cash, said Milton Hertz, executive vice president of USDA's Commodity Credit Corporation.

The deficiency payment rate is based on the difference between the established target price and the higher of the national average price support loan rate or the national weighted average market price received by rice producers during the first five months of the marketing year, August through December.

The five-month national weighted average market price for the 1988 crop of rice is \$6.84 per cwt.; and the deficiency payment rate will be \$4.31 per cwt., the difference between the target price, \$11.15, and the \$6.84 market price.

John Ryan (202) 447-6788

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CCC LOAN INTEREST RATE FOR FEBRUARY 9 PERCENT

WASHINGTON, Feb. 1—Commodity loans disbursed in February by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 9-percent interest rate, according to Milton Hertz, CCC executive vice president.

The new rate, up from January's 8-7/8 percent, reflects the interest rate charged CCC by the U.S. Treasury in February.

Bruce Merkle (202) 447-6787

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USDA EXTENDS COMMENT PERIOD ON BIRD IMPORT PROPOSAL

WASHINGTON, Feb. 1—The U.S. Department of Agriculture is extending the comment period for a proposed rule that would allow birds of U.S. origin and their offspring to be imported from approved breeding facilities in other countries without undergoing quarantine if certain conditions are met.

Larry B. Slagle, acting administrator of USDA's Animal and Plant Health Inspection Service, said the proposed rule would apply to birds raised in closed facilities from countries free of viscerotropic velogenic Newcastle disease.

Closed breeding facilities are facilities outside the United States in which U.S. breeding birds and their offspring are kept isolated under conditions which would prevent foreign diseases from entering the facility. The proposal contains provisions for obtaining, denying, and withdrawing approval of these facilities.

Under the proposal, the facility operator will cover the costs of construction, maintenance, and operation of the facility and all services provided by APHIS.

On Dec. 6, 1988, the proposed rule was published in the Federal Register to amend the regulations governing the importation of animals and animal products. "We received requests from several industry representatives to extend the comment period on the proposed rule, said Slagle. This will allow all interested persons additional time to prepare their comments on the proposed rule, he added.

Written comments must be postmarked or received by March 8 and should be sent to: Helene R. Wright, Chief, Regulatory Analysis and Development, USDA-APHIS-PPD, Room 866, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782. Comments should refer to Docket Number 86-101 and should include an original and three copies.

Comments received may be inspected at Room 1141 of USDA's South Building, 14th street and Independence Avenue, S.W., Washington, D.C., between 8 a.m. and 4:30 p.m. Monday through Friday, except holidays.

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USDA RELEASES COST OF FOOD AT HOME FOR DECEMBER

WASHINGTON, February 1—Here is the U.S. Department of Agriculture’s monthly update of the weekly cost of food at home for December 1988:

Cost of food at home for a week in December 1988

	-----Food plans-----			
	(In Dollars)			
	Thrifty	Low-cost	Moderate cost	Liberal
Families:				
Family of 2 (20-50 years)	42.80	53.90	66.70	82.80
Family of 2 (51 years and over)	40.40	51.70	64.00	76.70
Family of 4 with preschool children	62.20	77.50	94.90	116.40
Family of 4 with elemen- tary schoolchildren	71.30	91.10	114.10	137.50
Individuals in four-person families:				
Children:				
1-2 years	11.20	13.60	15.90	19.10
3-5 years	12.10	14.90	18.40	22.00
6-8 years	14.80	19.70	24.70	28.80
9-11 years	17.60	22.40	28.80	33.40
Females:				
12-19 years	18.30	22.00	26.70	32.30
20-50 years	18.50	22.90	27.90	35.80
51 and over	18.20	22.20	27.60	33.00

Continued on next page.

Males:

12-14 years	18.40	25.40	31.70	37.20
15-19 years	19.10	26.30	32.60	37.80
20-50 years	20.40	26.10	32.70	39.50
51 and over	18.50	24.80	30.60	36.70

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost, and liberal.

James T. Heimbach, Ph.D., acting administrator of the Human Nutrition Information Service, said the plans consist of foods that provide well-balanced meals and snacks for a week.

In computing the costs, USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods, and other nonfood items bought at the store.

“USDA costs are only guides to spending,” Heimbach said. “Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes, and how much food is prepared at home.

“Most families will find the moderate-cost or low-cost plan suitable,” he said. “The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families who have tighter budgets. Families with unlimited resources might use the liberal plan.”

To use the chart to estimate your family's food costs:

—For members eating all meals at home—or carried from home—use the amounts shown in the chart.

—For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out 5 days a week, subtract 25 percent, or one-fourth the cost shown.

—For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the 'individual' figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

- For a one-person family, add 20 percent.
- For a two-person family, add 10 percent.
- For a three-person family, add 5 percent.
- For a five- or six-person family, subtract 5 percent.
- For a family of seven or more, subtract 10 percent.

Details of the four family food plans are available from the Nutrition Education Division, Human Nutrition Information Service, USDA, Federal Building, Hyattsville, Md. 20782.

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